

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6264

BILL NUMBER: HB 1028

NOTE PREPARED: Jan 29, 2010

BILL AMENDED: Jan 28, 2010

SUBJECT: Regulation of Alcohol Sales.

FIRST AUTHOR: Rep. Bell

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill allows alcoholic beverages to be sold on election day. It allows the holder of a retailer's permit to sell alcoholic beverages for consumption on the premises from Sunday at 10 a.m. until Monday at 3 a.m.. (Under current law, retailers can sell alcoholic beverages until 3 a.m. all other days of the week.)

Effective Date: July 1, 2010.

Explanation of State Expenditures:

Explanation of State Revenues: *Uniform Closing Hours:* This bill allows the holder of a retailer's permit to sell alcoholic beverages for consumption on the premises from Sunday at 10 a.m. until Monday at 3 a.m. Under current law, retailers can only sell alcohol beverages until Monday at 12:30 a.m. This provision should have little to no impact on revenue, since any additional purchases of alcohol would likely reduce consumer spending on other sales taxable items.

(Revised) *Election Day Alcohol Sales:* This bill removes the prohibition against the sale of alcoholic beverages on election days. It is estimated that the sale of alcoholic beverages on election days could potentially increase revenue each fiscal year.

While it is assumed that the majority of consumers are able to purchase all the alcoholic beverages they desire to consume within the hours dictated by current law, it is possible that the added convenience and availability of alcohol sales on election days may allow consumers to purchase more alcoholic beverages than they would have otherwise. An increase in the overall quantity of alcoholic beverages purchased could increase state revenue from excise taxes assessed on alcoholic beverages. The extent to which consumers

may make additional purchases above what would be purchased under current law is unknown. Any impact on Sales Tax revenue is expected to be minimal since any additional purchases of alcohol would likely reduce consumer spending on other sales taxable items.

Excise tax revenue is deposited in the state General Fund, the Enforcement and Administration Fund, the Pension Relief Fund, the Addiction Services Fund, the Wine Grape Market Development Fund, and the Post War Construction Fund.

Sales tax revenue is deposited in the state General Fund (99.178%), the Public Mass Transportation Fund (0.670%), the Industrial Rail Service Fund (0.029%) and the Commuter Rail Service Fund (0.123%).

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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